GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3313
ANSWERED ON:04.08.2017
Unfair Advantage to Electronic Payment Firms
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Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware of reports citing unfair advantage for electronic payment firms since demonetisation and made a windfall profit;

(b) if so, the details thereof and the action sought against such companies;

(c) whether there has been delay on the Government's part to introduce e-payment service thereby helping electronic payments providers including Paytm and Mobikwik to avail windfall gains, if so, the details thereof; and

(d) whether any explanation has been sought from such firms, if so, the details thereof and the outcome thereon?

Answer

The Minister of State in the Ministry of Finance

(a) to (d) Reserve Bank of India (RBI) initiated electronic payment services with the launch of Real Time Gross Settlement in 2004, followed by the launch of National Electronic Fund Transfer in 2005 and the issuance of Policy Guidelines for Issuance and Operation of Pre-paid Payment Instruments (PPIs) in 2009 for authorisation to banks and non-bank entities for PPI issuance. Further, under authorisation given by RBI, National Payment Corporation of India (NPCI) launched several retail electronic payment systems through banks, viz., Immediate Payment Service (IMPS) in 2010, Aadhaar Enabled Payment System (AEPS) and RuPay debit card in 2012, National Automated Clearing House (NACH) and Aadhaar Payment Bridge System (APBS) in 2013, *99# service on the Unstructured Supplementary Service Data (USSD) channel in 2014, and the Unified Payment Interface (UPI) in April 2016. Thus, a wide range of e-payment services was made available through banks as well as non-bank PPI issuers.
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